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October 5, 2015

TO: Each Supervisor

FROM: Cynthia A. Harding, M.P.H.
Interim Director

A handwritten signature in blue ink that reads "Cynthia A. Harding". The signature is written in a cursive style.

SUBJECT: **NOTIFICATION OF INTENT TO EXTEND A SOLE SOURCE AGREEMENT**

This is to notify you that the Department of Public Health (DPH) intends to request Board approval to extend a sole source Agreement with Automated Case Management Services, Inc. (ACMS), to continue to provide data collection and reporting of contract deliverables for HIV/AIDS care services provided by DPH-contracted and federally-funded care providers to Los Angeles County residents.

This notice is being sent in accordance with revised Board Policy 5.100, which states that prior Board notice is required six months in advance for any department requesting to extend a current sole source Agreement.

Background

On November 1, 1994, the Board approved ACMS and a former contractor, Data Design and Development (DDD), on a sole source basis as the original agencies that developed the CD4 Online Management and Patient Information System (COMPIS) and Information Management of AIDS Cases and Services (IMACS) computer systems software designed to collect client level data required by the federal Health Resources and Services Administration (HRSA). These agencies were directly funded by HRSA to design client level data collection systems for HRSA. In June 1994, DPH submitted an application to HRSA for additional funding to support the "Demonstration of the Usefulness of Client Level Data for Evaluation of HIV/AIDS Services Programs" project. DPH was awarded funding and subsequently entered into sole source contracts for these services with ACMS and DDD in November 1994. These agencies were the only entities that maintained the computer system software COMPIS and IMACS originally used to collect the client level data required for HRSA reporting.

DPH renewed contracts with both DDD and ACMS as the only agencies that could provide the technical assistance, training, maintenance, and program modifications necessary to allow the collection of the required data. After 2000, DDD no longer provided data management services and ACMS, the developer of the IMACS system, replaced the COMPIS software. ACMS, the sole proprietor of IMACS, updated the client level data software system, and in 2002 replaced

the IMACS software with Casewatch and Casewatch Millennium. ACMS is the sole proprietor and only provider with the rights to maintain this system, which currently supports all DPH-funded HIV care services providers.

ACMS has been providing data management services under this Agreement, which has undergone multiple amendments. These amendments include term extensions, adjustments to funding allocations, and revisions to scopes of work.

Justification to Extend Sole Source Agreement

Federal funders require regular client-level data submission from all grantees. ACMS' Casewatch data system is the data management system for the DPH-funded HIV care services providers of the Division of HIV and STD Programs (DHSP). Casewatch meets the current needs for reporting requirements to federal funders, includes a significant amount of historical information, and is used by all contracted providers for invoicing and other critical financial functions. ACMS also includes database services such as: administration, security, maintenance, encryption, conversion and migration, design and modification, development of interfaces with other Electronic Health Record systems, reporting to DPH and HRSA on quality assurance and utilization review of care, Casewatch system technical support activities, and provider trainings. Casewatch is used as a tool to help quantify the delivery of HIV/AIDS care services to persons living with HIV/AIDS and offers an important tool to ensure accountability and productivity among our funded providers. It also provides valuable clinical outcomes data for clients served by DHSP. Extension of this Agreement allows for consistent and accurate data reporting of the utilization, expenditure, and health-outcome data that is required by HRSA, the federal funder for the Ryan White Program, and by the California Department of Public Health, Office of AIDS. It is the most cost-effective system and it is in the best interest of the County to continue services under the ACMS contract.

DPH is requesting continuation of this Agreement with ACMS, the Casewatch vendor, so that data collection efforts are not jeopardized or interrupted before a new system is established. DPH is currently working on a needs assessment to inform what system could potentially replace Casewatch and other case management data systems throughout the department. This assessment is expected to be completed in 2016 and the results will be used to develop a competitive bid for data systems services. DPH is requesting a three-year extension through February 28, 2019 to allow sufficient time for the assessment to be completed, appropriate County review, development of a solicitation, and successful award through a competitive bid process. DPH would also request delegated authority to extend the Agreement through 2020 in case additional time is needed to finalize the transition between the current data system and the new forthcoming data system.

Impact to DPH if Sole Source Agreement is Not Extended

DPH is mandated to provide HIV/AIDS client-level care data to our federal and state partners as a programmatic requirement of receiving over \$85 million in federal and state funding. Failure to submit data as required will jeopardize current funding for HIV care and support services. DHSP has approximately 138 HIV/AIDS care contracts and 22 Memoranda of Understanding with County clinics that require HIV/AIDS care client data to be transmitted to DHSP to meet our data sharing requirements with our federal and state partners. Information within the Casewatch system allows for coordinated care among DHSP-funded providers. Providers utilize the system to manage and retrieve client information and it provides DHSP with a snapshot of clients in our

treatment of care system to appropriately manage resources and utilization of care services. In 2012, DPH spent a significant amount of resources building a fee-for-service billing module within Casewatch for HIV medical, laboratory, pharmacy, and radiology reimbursements. If the sole source agreement is not extended, DPH would need to identify an alternative billing system for over \$40 million in annual Ryan White Program expenditures. This system would need to be in place and fully functional before the ACMS contract terminates, or DPH could face federal sanctions up to and including elimination of federal funding to Los Angeles County.

Alternative Plan

At this time, Casewatch is the only system available that can provide reimbursement to DHSP's fee-for-service HIV care contracts and also meet the federal data reporting requirements.

Timeline

The Board letter requesting approval to extend this Agreement is projected for the Board meeting on February 23, 2016. DPH is requesting the above sole-source agreement be extended for an additional three years through February 28, 2019 and delegated authority to extend an additional year if needed, to allow for sufficient time to develop a new integrated system that would meet federal and state reporting requirements.

If you have any questions or would like additional information, please let me know.

CAH:jc

c: Interim Chief Executive Officer
Interim County Counsel
Acting Executive Officer, Board of Supervisors